

CIVIL INTELLIGENCE SECTION

SPECIAL REPORT

SAIONJI-HARADA MEMOIRS
PART VII
"ORGANIZING MANCHUKUO"

(20 Jul- 19 Sep 1934) Wolth

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ANGUS V. RUTLEDGE
Major, Field Artillery
CIS, GHQ, FEC

Saionji - Harada Memoirs

Chapter 140 (20 July 1934)

Hirohito Chides Fushimi

Translated by Lieut. Morio Morihara

Because of the fact that this (OKAL) Cabinet had acted without due respect to the pressmen, the press was anxious to find fault with the Cabinet at the slightest opportunity.

At noon of the 13th, I went to see the Premier (Admiral OKADA), before leaving for Gotemba. The Premier said, laughingly: "I have been forestelled." I asked: "What has happened." The Premier replied: "The Navy Minister (OSUMI, Mineo) has just been here. When I requested him (at the time when I formed the Cabinet) to continue in office, he first saked as a condition for remaining in office: 'Will you endorse the decision of the Five-Minister Conference (of the preceding SAITO Cabinet)?

"I replied: 'I approve it unconditionally.' "He

(OSUMI) said, 'In that case, I shall remain in office.

Will you please report this matter to Fleet Admiral,

Prince FUSHIMI.' Therefore I proceeded to Prince

FUSHIMI's place and reported this matter. Today, the

Navy Minister came and showed me a written statement of

about 3 articles and said, 'This is the demand of the

Navy approved (by the Five-Minister Conference of the

preceding Cabinet); your approval of this is requested.

If you do not approve this I cannot remain in office.

I replied: 'I have a general idea of the Five-Minister

Conference; however as to its details, I shall have to

discuss the matter thoroughly with the new Finance Minister

(FUJII). I'm planning to convene a Five-Minister Conference (at which the Finance Minister will be present) to tororrow to hear the details and results (of the preceding Cabinet's Five-Minister Conference); after this meeting I'll consider the demand of the Navy.

"To this, the Navy Minister said; 'This approved demand of the Navy has already been informally reported to the Emperor by the Chief of the Naval Staff, Prince FUSHIMI; and His Majesty has approved it.' As it was only a short time since the organization of the Cabinet, and definite decisions on Cabinet policies had not been made in Cabinet meetings, they got the jump on us by submitting things in such a manner. However I'm striving for a solution." That was the Premier's story.

Although I hadn't much time, since I was on my way to Gotemba, things began to worry me. Before and after the London Treaty, the Navy and others often use to say in a highhanded manner: "this has already been approved by the Emperor," or: "we have already reported this to the Prince," I thought that this might again be something like that and immediately cal'ed Kido on the phone. When I said: "I have heard such and such a story from the premier. Are you paying any attention to it?" KIDO replied: "it sounds a bit funny, but I'll look into it."

After I had come back from Gotemba that night, KIDO cal'ed and said: "actually the matter we talked about in this morning's telephone conversation has not been approved by the Emperor, so will you bear that in mind and tell it to the Premier and the Foreign Minister?" Therefore I immediately relayed the message by telephone to the Premier and the Foreign Minister, saying: "the matter

that the Navy minister claimed to have been already approved by the Emperor actually had not received his sanction."

I went to KIDO's place at 9:00 the next morning and heard that Fleet Admiral, Prince PUSHINI appeared in the Emperor's presence saying: "I want to report this as a member of the Imperial Family in the Navy. This is the Navy's resolution concerning the London Treaty." He placed a written document containing the three conditions in the imperor's hands and returned. The Emperor, remaining silent, later called the Lord Keeper of the Privy Seal and told him: "There was such and such a story from the Chief of the Naval Staff, but I will not have men who are not in position of responsibility saying a lot of things. I have no way of acting upon them. During the Meiji Resolution such things may have been permissible, but since the establishment of the Constitution granted by the Emperor, proper administration will be carried out only if people of responsibility take the responsibility. If this is the conduct of responsible persons there are ways of dealing with them but these practices are certainly disagreeable. I want you to relay to the Fleet Admiral, Prince FUSHIMI that I do not want things like the presentation of this document to happen again.

The Emperor implied that he would not see him again.

The Lord Keeper of the Privy Seal became greatly worried, and after conferring with the Chief Aide-de-Camp to his Majesty, and by secret arrangement with Vice-Admiral DEMIZU, he went to the Prince Admiral's place and reported the matter.

Whereupon the Prince was very sorry and said: "Indeed I was wrong."

The Navy Minister may have known about this already, but when he met the Premier on the 13th, he did not reveal any knowledge concerning it. When the Navy Minister met the Premier, in other words on the 16th (Monday), the various commanders-in-chief, commanders-in-chief of the naval stations, and War Councillors were gathered in the Navy Minister's residence. Seeking the assent of the Premier, the Navy Minister planned to show the Navy proposal as a conclusive one. This plan had already been sent to the various commanders-in-chief in the Vice-Minister of the Navy's report.

According to the Premier's description of the FiveMinister Conference on the 14th: "we heard mainly of the
course of the conference and things became very clear
upon listening to the Navy Minister's plan, which he would
use as a last resort. The Ministers of War, Foreign
Affairs, and Finance explained, one after another, and
asked what the Navy intended to do when it advanced proposals that would never be agreed upon by other Ministries.
They asked what it was going to do when it became clear
that negotiations would be disrupted as a matter of course.
The three Ministers maintained that there was no need to
advance such pre-destined proposals, and that they would
like to investigate it further.

Since these three Ministers were to investigate this matter together, the Premier told the Navy Minister that the Government was not concerned with the conference of the Navy governing body of the 16th. He recommended that it be treated only as an unofficial meeting of the Navy. The Navy Minister approved of this. The Foreign Minister

said: "at any rate it is better for the various Ministries to spend more time on this in research and investigation." On the 13th, when the Navy, Foreign, and Prime Ministers gathered, the Prime Minister advanced concrete proposals, such as advocating parity after eight years, or parity at the very end. It was not thought that the Finance Minister necessarily would approve, but it was a fact that the various Ministers were striving for a plan.

On the morning of the 15th, I met the Prime Minister and talked of the Imperial Palace affairs and went to Oiso on some business. In the evening I invited Admirels KOBAYASHI and MOMURA for supper. Before they would attend the conference of the Navy governing body which was to be held on the 16th I explained rather clearly what the Emperor had said to Prince FUSHIMI. And I made an appointment with Admiral KOBAYASHI to meet him at the Tokyo Club in order to hear of the conference of the 16th on the afternoon of that day. That night the opinion of both of the Admirals was that they had already created a certain situation, and that the only way was to go along with it, changing policies at opportune moments. This was their general opinion.

The Prime minister asked what they would do if the Navy Minister came out strongly in favor of his ideas or threatened to resign. To Admiral KOBAYASHI he said: "think well on what you would do to modify the administration of the Navy if you should replace the Navy Minister." It was Prime Minister OKADA's intention to appoint Admiral KOBAYASHI as Navy Minister. On the

afternoon of the 16th I met Admiral KOBAYASHI at the Tokyo Club. Admiral KOBAYASHI outlined the conference of the Navy governing body of the 16th and said: "The Navy minister explained at first the particulars of his remaining in office and his reasons. Next he showed the resolution of the Navy and took great pains to explain that it had not yet been approved at a Cabinet conference. They had not reported it to the Emperor in private yet either, so they wanted it kept secret as just the Navy's proposal. Next Chief of the Army Affairs Bureau YOSHIDA explained the preliminary negotiations at London, and when Admiral YAMAMOTO said: 'we would like to be allowed to ask some questions' the Minister said that he did not relish arguments and asked them to forward their opinions in writing. Thus he completely cut off all argument. This was because of the Minister's opinion that the existence of two factions in the Navy, and resultant clashes of opinion, would show a seeming lack of coordination, and that this would be very disadvantageous in future situations. Admiral KATO concluded the conference by saying: 'in these times of storm and stress, it is with great joy that we observe that the Navy Minister has been retained. We will expect his utmost efforts and circumspection. We extend our heartfelt sympathies to him in his difficult task, and it is our wish that he handle the problems of disarmament by appropriate methods. We would like to support the Navy minister to the very end. If you gentlemen are in approval I would like to make this my message of response. Admiral KATO is not a person who reads from scripts in making addresses, but in this instance he read from an

already prepared manuscript, and it seemed as if prior preparations had been made."

Admiral KOBAYASHI also said: "men like Admiral SUETSUGU have the opinion that it is necessary, in regard to official orders for dispatching plenipotentiaries, to have Naval Operations obtain approval of the imperer and Prime Minister so that they will be foolproof." Admirals KOBAYASHI and NOMURA both said: "if we request the Emperor to read again the reply to the Throns of the previous Conference of the War Councillors, the Emperor will probably make inquiries concerning the shortcomings of the present system and might cause the Navy Minister to reconsider some matters."

On the 13th, at the Cabinet conference, the number of administrative officials was set at nine for Minseito and Seiyukai, and six for the House of Poers, and things were in a general state of disorder. Only one administrative official of the Finance Ministry was undecided upon.

On the afternoon of the 17th the Premier went to
Hayama to seek an audience with the Emperor and reported
on the details of navel disarmament, retention of the
Navy Minister, and the nature of the Navy governing body
conference. The Premier further stated that the Foreign
Minister, Navy Minister and himself had freely exchanged
their honest opinions and would make proper decisions
after thorough examination. He also reported the details
regarding the inumdated areas, and the apportionment of
the administrative officials. The Emperor inquired and
said: "there seem to be some opinions advocating the
abrogation of the Washington Treaty --- what about it?



If the London treaty is going to be abrogated, how about having France bear the brunt of criticism?" The Premier said: "I will report upon this matter again after further serious consideration and conferences with the Foreign Minister", and returned. Then the Premier talked of the necessity of holding another Five-Minister Conference. He said that Aide-de-Camp DEMIZU came over to his place and was greatly worried. DEMIZU had said: "I would like to have the talk between Prince FUSHIMI and the Emperor kept absolute secret." After making further inquiries concerning it the Premier found that the Emperor had said he would not be able to see Prince FUSHIMI if he were going to be approached upon such matters. If the Premier were to speak to the Emperor about such things for a second time, because he knew a little about them, it would further aggravate the Emperor's feelings towards the Prince. This would be undesirable and the Aide-de-Camp had come to see the Premier about this. That was plainly visible.

On the morning of the 18th, after a short meeting with the Premier, I went directly to Gotemba. I reported on all of the previously mentioned details and came back at night.

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Chapter 141 (25 July 1934)

Ambassador Saito's Ideas

Translated by Lieut. Morio Morihara

Ambassador to the United States SAITO came back from America on the 17th. I was busy and could not welcome him at Yokohama, but since I wanted to meet him once before too much time had elepsed, I waited for his arrival at the Imperial Hotel. He finally arrived in Tokyo on the 17th about 4:00 in the afternoon. I met Ambassador SAITO immediately at the Hotel and explained to him that the present state of affairs was such that if he should express his opinions too rashly and readily he would meet with unexpected trouble. He would have to be on guard every moment, after returning here.

On the 20th, the Premier announced the policies decided upon at a Cabinet Conference. According to the Premier's story, on that day Mr. MACHIDA of the Minseito seemed to favor a dissolution, but it was Mr. TOKO-NAMI's opinion that if they would continue with the present organization the ranks of the Seiyukai would gradually disintegrate and the Government would be placed in quite an advantageous position. Therefore there was no need to carry out a dissolution.

On the 23rd the Premier and War Minister met and had a lengthy talk. When asked about disarmament, and his opinions on the Manchurian problem the War Minister related that actually he foresaw great danger in the present attitude of the Navy toward disarmament. However, he was in such a position that he had to support it to the very end. Even if he felt a little anxiety, the Army had outwardly to exert unified effort with the

Navy. He felt that it was inadvisable for Japan to risk abrogation by advancing a plan which would never be considered. If it was a plan that would naturally lead to abrogation, it would be better if it were not proposed. The Premier was greatly concerned about settling this question.

The Premier desired to hold another meeting of the five Ministers after the Cabinet Conference of the 24th. After coordinating with the Foreign Minister and the Navy Minister, he wanted to draft an outline of policy concerning disarmament. The War Minister was saying at first, in regard to the Manchurian problem that at any rate he would like to receive instructions from the Cabinet after first forming a sort of investigation committee concerning future Manchurian problems within the Army, and after making an investigation. Concerning the question of the Department of Overseas Affairs, the War Minister said that he had no objection to the retention of the Department if it carried out its own mission instead of overlapping with the Foreign Ministry and the War Ministry.

Concerning Army affairs, such as the already dispatched secret orders of the 8th for the Army movement, they had relied too much upon the ARAKI faction. He felt that he had restored this to a more conservative basis. However, it was not complete. Therefore it was his desire to work gradually on this. I heard about all this from the Premier.

On the afternoon of the 21st Ambassador to the United States SAITO proceeded to Hayama to report his return. Upon meeting with the Emperor he was asked the

following question: "What will be American public opinion toward Japan's request for parity?" Ambassador SAITO replied that the realization of unconditional parity should not be expected. However if the request expressed the spirit of disarmament, and was reasonable, it would of course be considered. The Emperor inquired further: "How about the strike at San Francisco when you were about to depart?" The Ambassador replied that he was invited to dinner at the official residence of Consul-General TOMII on the eve of his departure. The mayor of San Francisco was at the dinner and had related the following at the dinner table: "Actually the strike was about to be settled about four or five days ago, when all of the papers printed in the headlines that the laborers were weakening. The workers were further incited by this and, renouncing the so-called compromise, they acted more vigorously." Therefore, the Ambassador told the Emperor, even in regard to the Japanese immigration problem the newspapers would have to be made to exercise discretion or there would be a greater chance of failure.

Ambassador SAITO met also with the War Minister.

The War Minister had said that he would like to transfer all Manchurian matters to the civil authorities as soon as possible. The Ambassador knew that there were many lessons to be learned from the experience of Lord Cromer, who went to Egypt as the Resident-General. He said:

"Lord Cromer was a Liberal. He went to Egypt with a plan to transfer administrative power from the army to civil authorities, but because there was such a difference in the level of civilization the ideas of liberalism could not be applied there. Therefore he relied

on army influence and present conditions are still the same. Actually, this was inevitable. Even in the case of Manchukuo, the level of civilization between it and Japan is very different. Therefore, considering it from all angles, we must use the Army to protect it until the country is fully developed. Saying: "Indeed", the War Minister was deeply impressed.

Of course Ambassador SAITO also met the Navy Minister and talked with him about disarmament. The Navy was greatly pleased with the general ideas which SAITO advanced. The Nav; Minister was deeply impressed with SAITO's idea of having Japan submit a plan advocating the scrapping of all capital ships and aircraft carriers. SAITO said that if the Navy actually feels that way he would certainly propose it. However I cautioned SAITO fully and said: "Japan's present attitude toward disermament is very different from what it was at the time of the London Treaty. Things are more dangerous in many ways and we cannot simply call it disarmament. Both in domestic and in foreign affairs, the die-hards and rightists are greatly dissatisfied with the present political situation. They make an issue of everything and use anything to agitate the present social milieu and to use it politically. The younger group of the Navy sometimes unknowingly believe the rightists and die-hards, and sometimes, knowing of the actual situation, they join in the agitation of the country, so you will have to watch your step."

Leaving on the night of the 27rd, I met the Prince on the 24th. I reported on the situation up to that time, and after making arrangements to have the Premier

visit the Prince's residence on the morning of the 28th, I came back.

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Chapter 142 (31 July 1934)

Saionji on Audience Procedure
Translated by Lieut. Morio Morihara

I met the Premier on the 25th. He mentioned the Five-Minister Conference of the 24th and said that they were generally agreed concerning the main resolutions of the meeting and were hoping for complete agreement on the disarmament conference. He expressed the desire to have the War Ministry and the Navy Ministry dooperate fully in writing up a proposal that would be agreed to by other nations. Again, in order to see this accomplished he had promised them complete secrecy. He promised the Navy Minister that he would absolutely refrain from making any Navy Ministry announcements before those of the War Ministry were made.

On the afternoon of the 25th, the Premier visited the Emperor at Hayama and reported on the progress of the Cabinet Conference and the details of the Five-Minister Conference. The Emperor commented that it was very fine to strive for an agreement. The Premier reported that although he desired to see an agreement concerning the problem, and was seeking ways to attain this, he wasn't sure of success since matters were still in the experimental stage. At any rate, he was striving for an agreement. The Emperor mentioned the Manchurian problem and asked: "Since it is a new empire, how about a complete abolition of extrateritorial rights instead of limiting them to areas along the railway?" He also said: "I understand that Manchukuo will produce cotton and sheep. If there is

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a surplus won't Japan be placed in a queer position in relation to its foreign trade? Won't there be a clash if there is a duplication with domestic industry as a result of Manchurian industrial development?" The Premier presented his ideas and promised his careful consideration. Finally, the Emperor said that the words:

"Japanese Spirit" were used in the main outline of the Cabinet statement. He wondered if this so-called "Japanese Spirit" wasn't an exclusive and cliquish one. The Premier replied that the "Japanese Spirit" appearing in the outline was not especially narrow. Whereupon the Emperor was greatly pleased. The Premier reported on various other matters and took his leave.

On the night of the 25th, the Premier left and visited the Grand Shrine of Isles and the Momoyama Mausolea. On the 28th at 9:30 a.m. he visited Prince SAIONJI at Gotemba for the first time since the organization of the Cabinet.

He described fully the details of the reorganization to Prince SAIONJI and after mentioning disarmament, the situation of the inundated areas, and the ferm villages he returned.

I met the Premier about 4:00 o'clock in the afternoon on the 28th. He commented that the Prince was
looking fine. The Premier told the Prince that he
would leave matters concerning political parties alone.
The Prince also agreed that it was better to leave them
alone. The Premier said that men from the political
parties, such as TOKONAMI, might cause trouble. The
Prince replied that men like TOKONAMI couldn't do anything,

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and when the Premier described this to me, he laughed.

On the 29th I received a second message from KOMCYE. Taking it, I went to Gotemba with the thought that the Prince may have some message for me to take to KONOYE when I go to meet him off-shore at Yokohama. I handed the letter to the Prince and he told me of the time when the Premier came to visit him. Prince SAIONJI said: "Several years ago, when I had an audence with the Emperor, I told him that matters such as abrogations, revisions, and renewals of treaties were all right but for a great empire to violate treaties, etc. was definitely not good. From the standpoint of the honor of the country and of international ethics this would never be possible. I told the Premier that the Emperor was in complete agreement with my words, and the Premier seemed to understand, saying: "I also will adhere to your policies." That was Prince SAIONJI's tale.

I talked further with the Prince on various subjects and he told me to consider the question of the Grand Chamberlain attending meetings between the Emperor and Ministers of State. It was the general opinion of the Prince that it was not very desirable to have an observer present when responsible persons in the position of advisers were meeting with the Emperor. The Prince was opposed to this practice on principle. We understood this well, and that things would be satisfactory when a reliable statesman was received in audience, if the Grand Chamberlain did not attend. Regardless of the ability of the Minister of State, or the actual state of things, it was the inherent responsibility

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of the State Minister to assist the Emperor, and to
have a third person sitting in on conferences was not
desirable. I firmly believed that this was only
logical reasoning.

KONOYE stated in his letter that MATSUOKA, Yosuke was a friend of Colonel HOUSE and corresponded with him frequently. When MATSUCKA sent a letter to Colonel HOUSE the envelope bore the inscription of the Foreign Ministry. Observing the envelope, Prince KONOYE guessed that what MATSUOKA had written in the letter was known to the Foreign Minister. Then, unexpectedly, after four or five days had passed, the AMAU Statement was published. By the AMAU Statement, Prince KONOYE knew that his doubts were no longer doubts but actual facts. The AMAU Statement proved that. Of the first letter, Colonel HOUSE stated that he could not divulge its contents to Prince KONOYE since it was secret. However, in the second message Colonel HOUSE said that he had received a letter from MATSUOKA concerning Salvador; "Japan is very happy to have a small South American country like Salvador recognize Manchukuo. If a country like America should recognize Manchukuo how greatly it would contribute to American-Japanese friendship," wrote MATSUOKA. Colonel HOUSE did not express his opinion at all concerning this. Colonel HOUSE was firmly convinced that Japan was another Germany. Prince KONOYE talked to him about various matters but was disappointed at his obstinacy.

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Chapter 143 (6 August 1934)

Admiral Kato Intransigent
Translated by Lieut. Morio Morihara

On the 1st of August, Prince KONOTE was supposed to reach Yokohama. He wired me from the boat asking me to meet him off-shore. After talking to SAITO, the Premier, the Foreign Minister, and Home Minister GOTO I requested Vice-Minister TSUSHIM, of the Finance Ministry to arrange so that I could be escorted by the Habour-Master of the Custons Service. As soon as the boat came into the harbor I got into a launch to meet KONOYE, and I was the first one to board the boat after completion of inspection. I met KONCYE and told him of the talks between the Navy heads and Ambassador SAITO after he had come back to Japan and the general contents of Ambassador SAITO's statements on the situation in America. There was also a request from the Foreign Minister, and I told him in private not to express a pessimistic attitude toward America. I asked him not to touch too much upon the disarmament issue because it was at present especially delicate. Ambassador SLITO had stated that the United States Government had not as yet decided on a definite policy concerning disarmament, so would be please remember that. I also gave him a general idea of internal affairs in Japan in about thirty or forty minutes, so that he could roughly understand the situation. Boarding the same train, we reached Tokyo Station together and KONOYE reached home safely.

That night I was invited by Vice-Minister SHIGEMITSU

and went to Horyu. On the second floor, the Navy Minister was having a party; he had invited imbassador SAITO, and almost all the Foreign Ministry and naval staff heads were present. A message come many times from the Vice-Minister of the Navy, requesting ne to stop by on my way home. Therefore I stopped by on the second floor to say hello, after nine. Minister CSUMI immediately took me to another room and said that he had a lot of things to talk to me about, so wouldn't I please listen to him. He went on to say that actually fleet duiral Prince FUSHIMI's confidence in Admirals K.TO and SUETSUGU had been almost destroyed. This was because idmiral KATO had prenaturely divulged secrets to fleet members of his own faction, and because he had been the cause of various other troubles. Admiral Suetsugu forwarded the report of his subordinates as it was written to the Chief of the Naval General Staff. Furthermore, the activities of Vice-Admiral KOBLYASHI's faction in Manchukus were connected with Admiral KATO. For this reason even Vice-Libraral KOBAYASHI was sent home and was relieved after being severely reprimanded. The Prince, as a member of the Imperial Family, had talked very strongly to the Emperor at times, but nowadays he had come to possess a deeper understanding of the Emperor. He also regarded Trince SITONJI in a new light and after seeing him answer the Emperor's questions in regard to recent political changes he realized that after all he was worthy of being the Genro. His impression of Prince SMIONJI was altogether different from that of former times, and he (Minister OSUMI) was very glad of it. He (Minister OSUMI) said that he would like to arrange a meeting somehow between

Prince SATONJI and Prince FUSHIMI. That was what Minister OSUMI talked to me about.

Then I went to the Tremier's place and talked to him in order to verify this story. The Tremier seemed to know the general outline of the situation very well, but I didn't press him for concrete details. We kept on with our conversation, and according to the Promier, the War Minister stated that in the final analysis the Empire must take a proposal that had a chance of approval at the disamment conference. The Premier said that the Foreign and Navy Ministers were in closer harmony. The Navy Minister had promised the Premier that hereafter the Navy would not publish anything savoring of propaganda nor make straight jacketed proposals; according to the Premier, these facts seem already to have been reported to the Emperor by the Navy Minister.

Prince FUSHIMI sought an audience with the Emperor at Hayama recently, on the 27th of July. The Emperor seems to have talked to him of various things, and it was a fact concerning the Navy Minister, that the Emperor indirectly hinted at the undesirability of the Navy Minister propagandizing on various subjects before any one else. Thus, affairs in general are proceeding rationally.

on the afternoon of the 2nd I met Admiral KOBAYASHI at the Tokyo Club and when I mentioned the Navy Minister's talk to him in confidence he said: "This is why---" and seemed to know everything. According to Admiral KOBAYASHI's story, Admiral KATO surmoned Chief Engineer, Captain MACHIDA before the Combined Floet moved out, and told him

that both in the Naval Staff and the Navy Ministry, the heads are weak in their attitudes towards disarmament. Therefore the men of the fleet (Kantai He) must combine and take a strong stand concerning disarmament. Secondly, the coming Cabinet had to be a strong one. He (Admiral KATC) hinted that he wouldn't mind being the head of it, and instigated MACTIDA to work with Captain NAGUMO of the 2nd squadren in lisiting the various squadren commanders of the combined fleet and writing a combined report.

Captain MICHIDA returned to his squadron, and together with Captain MICHING of the 2nd squadron, visited the various squadron commanders. Of the two suggestions, the first one concerning a strong stand toward disarrament was generally approved, but the second suggestion of a strong Cabinet, etc., had very few supporters, the reason being that it was a purely political problem and did not concern them. In the end the opinions of the moderates were victorious. Those who advocated a strong stand towards disarrament, that is the restoration of unrestricted arming, vafered the abrogation of the Washington Treaty and on immediate show of strength. They were the ones who considered the London Treaty to be too weak and to be depriving them of the right to arm.

In the end, the report advocated the restoration of unrestricted armament rights, and after the signatures of various squadron commanders were obtained, the report was sent to Admiral SUCTSUGU for forwarding. Admiral SUCTSUGU forwarded it to the Minister, giving one copy to Admiral KATO and one to the Chief of the Naval General

was infuriated at this, and said that in instances such as receiving reports from subordinates, it was always highly improper for the Commander-in-Chief of the Combined Fleet to report such matters directly to the Navy Minister. On the other hand, in such cases, it is only logical to warn the subordinates to be faithful in execution of their duties and to refuse transmission of the document by keeping it in one's hands. To transmit such reports was cutrageous.

First Squadron Cormander SHIMADA (Naval Staff) went to Sasebo and inquired about the details of the report to the Chief of Staff of the Fleet. The Chief of Staff of the Toyoda Combined Squadron said that it actually was initated under directions of admiral KiTO and that they were not concerned about it. Therefore, Vice-limital SHIMADA returned and reported the matter to Chief of the General Staff, Frince FUSHEII. The Frince was angered, and after immediately summoning Admiral KiTO, warned him twice of the impropriety of litical activities. He also condemned SUETSUGU's transmission of the letter. In this way Admirals SUETSUGU and KATO came to lose prestige in the eyes of the Amperor. Treviously, when Admiral KATO had called Captain SHIMADA in order to give him instructions, he had also called HIS TONI, Chief of the Tolitical Section of the Tokyo Nichi Shimbun, and had persuaded him also to propagandize for the same objective. Therefore, the Tokyo Nichi Nichi Shimbun had stressed a strong policy toward disarmament, had bointed out the necessity of a strong Cabinet, and had supported the candidacy of Admir al

KATO. In this way, the incident was ended. However great care must be exercised in the future. On the 3rd I went to Gotemba and came back after reporting the previous details in outline.

On the morning of the 5th TAMI, Councillor to Manchukuo, returned, and on that afternoon I heard various tales of Manchukuo. Saionji - Harada Memoirs

Chapter 144 (14 August 1934)

Trade And Naval Parity

Translated by Lieut. Morio Morihara

On the 8th of August I met the Premier. He said that it was the opinion of Ambassador to France SAITO, Naotake that the abrogation of the Washington Treaty was outrageous because in the end it would destroy the Five Power Treaty. Europe was in great fear because of the increase in Japanese production. It was SAITO's opinion that a quota system would not work either and that the time was not far distant when Japanese goods would be under pressure and could not be sold. SAITO pessimistically maintained that the Japanese are on the whole very emotional, so that if the sale of goods falls off trade would become very dull. The disarmament treaty might have to be confronted at the same time and the whole situation would become very complicated. SAITO was worried lest America and Britain be drawn closer to each other as a result of Japan's part in the breaking up of the Treaty.

On that same day I went to Prince KONOYE's place.

Minister of Communications TOKONAMI was there, and

after he left, KONOYE said that TOKONAMI wasn't speaking very well of Minister of Home Affairs GOTO. KONOYE

was a bit worried.

On the 9th KIDO and I started out for Gotemba.

The Prince said that he wanted to look into the political tendencies and contents of a certain newspaper.

Wouldn't I get one for him? He asked what the SHIN
KANRYO was about, and KIDO wondered if it might not be an organization of the intellectual class such as the

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Kokui-Kai. SAIONJI went on to say that he wanted to see less formality between the Emperor and the Minister of Home Affairs. He desired greater intimacy between ruler and subject, and friendlier conversation; the subject always remembering that he was acting in an adviscry capacity.

Formerly, in Emperor TAISHO's day, when KATO,
Komei became Foreign Minister, he (SAIONJI) met the
Emperor twice through an introduction arranged by Prince ITO. He still remembered that they were offered
seats and conversed casually while smoking. He desired
something similar to that now.

As to whether it was proper to have the Grand Chamberlain around when the Minister of Home Affairs was to meet the Emperor, his presence was opposed as before by the Prince, in the light of the Constitution. He maintained that there was absolutely no need of an attendant. He consulted KIDO for an opinion and KIDO also stated that it was not desirable to post so-called "guards" between the Emperor and officials in advisory capacities. He said that the Minister of Home Affairs could tell the Grand Chamberlain what had transpired between him and the Emperor on the way out. The Emperor could also inform the Grand Chamberlain of the gist of the Minister's report, and this would be sufficient. KIDO and I left the Prince's residence about 11:00 o'clock of that day. We went to the Fujiya Hotel for lunch and came back to Tokyo.

On the morning of the 11th I went to the Premier's residence. The Premier said that the Navy Minister would go to Ise in two or three days to view the Combined

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Fleet Maneuvers, and would admonish the younger Navy men who were advocating the abrogation of the Washington Treaty. He was going to tell them that the Government would handle such matters. He planned to warn them to be faithful toward their duties and not to mention such matters anymore. The Premier said that since the Naval General Staff, Navy Ministry, and Foreign Ministry were agreed upon the ultimate abolition of the ratio, there would be some kind of settlement concerning it. However, it was a question whether Britain and the United States would agree to this. It was the Fleet Admiral's opinion that we should clarify everything, speaking much more definitely than the Navy Minister is doing.

The disarmament problem was all very well, but opinions are varied, upon the political structure in Manchukuo, in the War Ministry, the Foreign Ministry, and the Ministry of Overseas Affairs. The Army is throwing out various lines of propagande, and it is clearly evident that they have secret intentions of establishing a military administration in Manchuria. In name it is to be under the control of the Prime Minister but actually the situation is such that the Army is allowed free roin. I became greatly concerned about this problem Since there was a need to have Baron SHIBA, the greatest authority on Manchurian matters in the House of Peers, know the inside and outside of the problem, I requested the presence of YANAI, Chief of the 3rd Section, Asia Bureau, and the three of us conferred on various subjects. Wanting the Lord Keeper of the Frivy Seal to understand this, I called Section Chief YANAI on the morning of the 15th and had him explain fully to KIDO. The 3rd Section Chief's story was.... Saionji - Harada Momoirs

Chapter 145 (20 August 1934)

Affairs in Manchukuo

Translated by Lieut. Morio Morihara

I developed a fever on the night of the 13th and was forced to stay in bed, so KIDO and YANAI came to my place. In the afternoon TANI and KURIYAWA came to inquire about my condition. TANI was very dejected concerning Manchurian policy. He said that he had worked with sacrificial devotion because he thought that the need of the present was to develop Manchukuo thoroughly; to perfect Manchukuo. He consistently conformed to the spirit of the Imperial Edict and the fundamental policies of the Protocol. In spite of all this, when he came back to Japan he became disappointed upon learning the ideas of the military and the Ministry of Overseas Affairs.

Just at that time Mr. NUNAKATA of the Bank of
Japan, who was going to his new post in London, came
to visit me. I introduced him to TANI, whereupon
TANI insisted that he see Manchu' before going over.

TANI stressed that at present English industrialists
were sending representative groups to Manchukuo.

Especially, since he was going over as a Director of
the Bank of Japan he would be asked many questions concerning Manchukuo. In that case there would be a great
difference between visiting the actual scene before
going, and not seeing anything. He thought it better
that he tour Manchukuo thoroughly. However, MUNAKATA
didn't seem to have the time. On the 15th TANI came
again, but I was told to stay in bed for four or five

days, so I stayed in all day.

KIDO was supposed to go to the Prince's place on the 17th. He called me on the phone and asked me to interview the Premier and the Foreign Minister because he couldn't come to Tokyo on the 16th. On the morning of the 16th I went to the Premier's place. He told me not to worry because, he understood the fundamental problems of the Marchukuo system very well. I told him that Manchukuo must be made to keep up the opearance of an independent country. The sovereign power of Manchukuo rested with the Manchukuo Emperor. Furthermore, Japan and Manchukuo were of intimate and inseparable relations as stated in the Protocol. Taking into consideration the part which says that we must respect this independence at all costs, we must be very careful of building a system which violates these two points. The Premier told me that various proposals were being combined, and not to worry about it since he was paying careful attention to the problem.

The Premier also said that he may or may not be forced to abrogate the Mashington Treaty. It all depended on the progress of preliminary negotiations. If by any chance the Treaty was to be abrogated, he planned to gain the understanding of the Four Powers first. The Premier said of Russo-Japanese relations that it was a fact that Russian defenses in the Far East had increased greatly. There would have to be appropriate preparations against this, such as planes and landing fields. Concerning the North Manchurien Railway problem. Russia seemed to want to decide next

spring, after considering the international situation. The Japanese-Dutch negotiations seemed to be gradually progressing favorably, so they were no grat warry. Thus, the Premier talked lightly of that metter. If Japan should abrogate the Washington Trent + 11 ; disarmament conference of next year would le len thened. It was the Premier's opinion that if it continued for a long time, it would become favorable. The Ministers belonging to the Seiyukai and persons in the political parties, were persistently suggesting a national policy deliberation committee, but there had been no direct and formal suggestion in the Cabinet. If by any chance such an agency should be created, he plann d to exclude any mention of national defense or diplomacy. He planned the organization of a sort of deliberation committee with a good title, such as something on industry, or education -- in other words something concerning domestic affairs. He was having various aspects and precedents examined.

After that I visited Minister HIROTA at the Foreign Minister's official residence. Minister HIROTA immediately talked of the North Manchurian Railway problem. He said that he told Russia that if they did not want 120,000,000.00 yen he wanted them to negotiate directly with Manchukuo. HIROTA and Vice-Chief OHASHI had already talked in private, but if Russia wanted to settle it with less than 150,000,000.00 yen, Manchukuo was ready to coept. However, it would be necessary to confer with the Kwantung Army first. Things would be settled readily

thought that the Kwantung Army were involved, but HIROTA thought that the Kwantung Army would broach this question to the War Ministry. It was doubtful whether it had courage enough to do this, but it was HIROTA's plan to talk to the War Minister teforehand. Indeed he had already approached the War Minister on the subject. Although it was secret, there was a It. Col. SUZUKI, Chief of the Operations Section in the Army General Staff, and he strongly protested an increase beyond 120,000,000.00 yen. If an agreement was desired he wanted the higher authorities to conclude it. However, in the meantime an answer came from Russia.

Thus the breakdown of the farcical talks between Vice-Chief OHASHI and the Soviet Ambassador was inevitable. HIROTA was well aware of the details. Concerning disarmament, the Navy Minister had gone to the fleet and appeased the younger officers by telling them that the Government's decisions were already made and not to worry. The Foreign Ministry's disarmament problem was how to realize the demands for parity. The Foreign Ministry maintained the need of a lengthy period for its realization. There was also talk of arranging for parity after ten or twelve years -- cutting it to six years after a while. HIROTA was prepared to make compromises in order to obtain this. When he went to Nasu, he remained with the Emperor for over an hour and reported the previous details to him. The Emperor said that at first the Navy had not talked of parity. . Why was it that they were suddenly mentioning it now? After HIROTA explained to him fully, the Emperor ex-

pressed the hope that plans would go as smoothly as anticipated.

I came back in the evening and had gotten into bed when Minister of Home Affairs COTO cume, saying he had not met me-for a long time. I thought that it. was better to have GOTO understand the problems of the Manchukuo organization, so I had Third Section Chief YANAI come immediately. I had YANAI explain the problems thoroughly to GOTO. Just at this time there was a telephone call from KIDO. I told to him fully of my meeting with the Prime Minister and Foreign Minister that morning and requested him to transmit the details to Gotemba. Minister of Home Affairs GOTO understood everything very well and went home. I still wasn't feeling well on the 17th so I stayed in all day. On the morning of the 18th I visited the Premier's place for a short time, and also met the Chief Cabinet Secretary. After that I returned home. In the evening I was invited by Minister of Railways UCHIDA, so together with Ambassador SAITO, I went to Kuwana.

Saionji - Harada Memoirs

Chapter 146 (29 August 1934)

Navy vs. Foreign Office.

Translated by Lieut. Morio Morihara

I mat the Navy Minister on the 20th. He said that: "He would be greatly inconvenienced unless the abrogation of the Washington Treaty was decided upon at a Cabinet Council. The Foreign Minister knew this well, but the department heads were vacillating and could not decide on action. To decide this at a Cabinet Council was of the utmost necessity in order to be mentally prepared." When I heard this view of the Navy Minister I said: "When the Cabinet Council decides on a matter concerning foreign affairs - - it must naturally keep it absolutely secret. Therefore it would not be possible to announce Cabinet Council decisions to the men of the fleet or to die-hards." When I said this the Minister vaguely replied: "That's the reason I'm not going to do anything about announcing it. I'm only hurrying it so that we can make up our minds." The Navy Minister further stated: "Actually I talked to the Prince and he was greatly worried. If there should be an Imperial Order suppressing the Navy's common desires there would be a grave situation. I don't think that the Genro and Senior Statesmen will absolutely refrain from carrying out such maneuvers. It is unimaginable that the Armed forces would be suppressed by Imperial Order. However, if there should be an Order, military and naval discipline will be demonstrated only if they submit to it. It sounds funny to mention these things

Navy vs. Foreign Office

I made some slightly disagreeable remarks, but the
Navy Minister said: "No, the general situation has
changed to such a degree and it cannot be helped." When
I said: "Formerly you used to admire greatly the
Emperor's fine questions and superior opini as when you
were received in audience. In my opinion, to relay
such matters to your subordinates, and to make them
understand his fine qualities is of utmost importance.
To show that the Emperor is not a robot of the Genro
and Senior Statesmen is nost important isn't it?"

The Navy Minister said: "That's why I went to the Combined Fleet Maneuvers the other day. I gathered the young officers and told them of the wise ideas of the Emperor. I told the officers especially of the time when the words "Nippon Seishin" (Japanese Spirit) were contained in the recently completed ten outlines of the Cabinet. The Emperor faced the Prime Minister and inquired whether these words were not exclusive and cliquish. The Premier replied in awe that they were not. Again, when Manchurian Councillor USAMI was to receive Imperial nomination from the Government, the Emperor inquired whether he was not a Manchukuo official. I told them these things." I heard from the Minister that he had admonished Vice-Admiral KOBAYASHI of Manchukuo for inciting the younger men. He also stated that there was nothing unusual in the Combined Fleet. Furthermore the rightists were actively organizing movements. I parted with the Minister saying: "If the Navy should utilize the rightists, it will be scorned by the intellectuals,

so you must be careful in that respect." The Navy
Minister requested that I tell the Prince about our
talk.

Then I went to the Premier's place and told him: "Last night (night of the 19th) Colonel SUZUKI of the Military Staff College came and said that the Navy was facing the disarmament conference with great spirit, and that he wanted to see the successful conclusion of the conference. He shuddered at the thought of Japan facing a most unfavorable situation as a result of a failure of the conference. Japan would be something akin to pre-war Germany or to Russia before the Russo-Japanese War. On top of this there would be racial prejudice, and Japan would be placed in a most disadvantageous position. If the worst came to pass in foreign relations, it would be a serious matter. If a conference in the Imperial presence were held, or if the Emperor suppressed the Navy by Imperial Order, saying: You must persevere under all difficulties, the Navy would obey it without fail if it were an Imperial Order. If the disarmament conference were successful world opinion of Japan would go up greatly. We must check the Navy by all means. It was at such times that the senior statesmen must take the lead and strive for a solution. He told these things to me."

The Prime Minister replied: "Senior statesmen's conferences and conferences in the Laperial presence are very risky. Therefore I do not favor them now. The Cabinet plans to go ahead, shouldering all responsibilities. Minister of the Navy OSUMI has been rushing the decision

on the issue of abrogation of the Washington Treaty. I've talked to the Foreign Minister, but abrogation will not be possible without securing a certain degree of prior understanding from the various countries. If an understanding is secured from the virious countries it may not become such a problem and may work out smoothly." The Premier further stated; "Even if we establish a national policy deliberation conference I shall limit it to problems of finance, economics, and education and will not have it touch on national defense and foreign affairs. However, the words "national policy" are very disagreeable, so let me think of something else. I don't know whether this is possible and I haven't decided on anything definite yet. Recently the Kokumin Domei has come to show a very friendly attitude, but I plan to work slowly, because there is the problem of the Minseito. I hear that the Seiyukai is greatly weakened. The public is clamoring for relief of the silk-producing farm villages but I do not see any great need."

That afternoon I met KURIYAMA. He was greatly worried concerning the abrogation of the Washington Treaty and insisted that: "If the Washington Treaty is abrogated today, an atmosphere similar to that at the withdrawal from the League of Nations will be created. I want you to realize that the Government must be very cautious concerning diplomatic affairs."

Councillor TANI similarly affirmed: "I wish you'd warn the Government to reexamine the situation, bearing in mind such things as pre-war Germany, Russia before the

Russo-Japanese War, and racial prejudice."

On the 21st I went to Gotemba and spoke to the Prince about my talks with the Navy Minister and the Premier up to that day. The Prince knew the gravity of the situation and the need for great care. He asked:

"How about talking to the Grand Chamberlain and the Lord Keeper of the Privy Seal first, and then gathering the two Princes (Fleet-Admiral Prince FUSHIMI and Field-Marshal Prince KAN-IN) at their convenience before things became set? The Emperor could give a general warning on Japan's present international situation and the present atmosphere."

I returned on the 22nd. Then, after a long absence,
I met the Lord Keeper of the Privy Seal and talked to him
for about an hour. I told him of Prince SAIONJI's
suggestion that the Emperor warn the two Princes. He
said that it was a delicate is sue and that he would
consider it further. Thus we parted.

Immediately after that the Lord Keeper of the Privy Seal called in KIDO, who had appeared at the Office, and fully inquired at length as to his opinions. The Lord Keeper of the Privy Seal showed signs of hesitancy, and it was also KIDO's general opinion that: "If the Emperor should say various things there will be criticism and censure directed against those close to him and there will be a repetition of the London Treaty situation. It seems as if the Premier plans to talk to the two Princes, so it would be better to wait a little while longer." Even now this discussion hasn't made any progress. I'm not in any hurry either, because

I don't think there's any need for undue haste regarding it.

When I met the Premier on the 24th, he had met the Emperor on the 23rd at Nasu, and had reported the political situation. When the Premier mentioned the Five-Minister Conference, he learned that the Emperor had not heard of it from the former Premier at all. Therefore the Premier explained as much as he knew of the Five-Minister Conference, and reported on the resolution at the same time. The Premier told the Emperor that: "Preliminary conferences on disarmament will be opened about the middle of October. Before that, it will be necessary to give general instructions to Ambassador MATSUDAIRA -- and especially to Major General YAMAMOTO, who is going to England with a special mission. I plan to include the following points in his instructions: 1. We will exert our utmost efforts to see the successful conclusion of next year's disarmament conference; 2. We will respect the right of national defense for the safety of the Empire; the reduction of offensive power and the strengthening of defensive power; the sound and equal execution of arms reduction. As to methods of reduction, our goal, which will be a long term one, will be parity of military preparation; 3. Attaining the Empire's objective depends upon Britian and America; therefore there is no basis for dissension, even if a compromise is reached between France and Italy: 4. The Navy is hoping for the abrogation of the Washington Treaty; although we may reach the same results in the end, we must choose an

appropriate time (for its abrogation)."

When the Premier mentioned these four objectives as the fundamental policies and contents of his general instructions, the Emperor said: "The armed forces will have demands too, so the only solution will be to quiet them in your way. However, I want you to bring about the abrogation of the Washington Treaty without irritating the Powers. What are the prospects for next year's main conference?" The Premier said: "Japan will strive for a successful conclusion, but things seem very difficult." The Emperor replied: "Even if there should be a dissolution, see to it that Japan will not be blamed."

The Premier reported on the Rice-Survey Committee and said that it would not be able to report by the time the special Diet session was convened. He spoke of the unsettled Manchukuo system, and said that various articles were written in the newspapers concerning a national policy deliberation committee, but that there was nothing definite on it yet.

The Emperor inquired: "Is the national policy deliberation committee to be something like the one at the time of the TERAUCHI Cabinet?" The Premier replied: "No, it is to be entirely different. Even if such a thing is organized, the conference will not touch on national defense or foreign affairs."

On the 22nd Prince KONOYE came to Nasu, and for an hour and a half he related his personal opinions concerning the United States and described conditions there.

The Emperor was well satisfied. Later, according to

various other people, the Minister of the Imperial
Household had said: "To listeners, Prince KONOYE's talk
was much richer in content and better than either
Ambassador SAITO's or Ambassador SATO's.

When I met the Premier on the 25th, he said: "There is no need to worry about Prince FUSHIMI. I plan to visit the Emperor shortly and to report to him on various matters."

"If a certain degree of understanding is gained at the preliminary conference the result will not be too bad even if we abrogate the Washington Treaty. The War and Navy Ministers and myself were called together by the Premier on the 24th, prior to the Cabinet Conference. The Premier had met the Emperor at Nasu on the 23rd, and he relayed his wishes in full to us. We conferred among oursleves so as to gain a mutual understanding."

I went to Gotemba on the 26th and reported to the Prince all details subsequent to the 21st. The Frince said: "I believe it will be better if at this time the Emperor uses more specific terms and speaks more forcefully to the two Princes." I promised that I would transmit this message to the Grand Chamberlain upon my return.

On the 27th, I had an opportunity to meet TANI so
I did. TANI repeatedly said: "The Kwantung Government
is making a fuss and saying that problems are arising between Japan and China. That's bad."

On the morning of the 28th, I met the Premier and inquired of the fuss being made in the Kwantung Government. The Premier said: "I will send a telegram to

quiet them down. It will subside quickly." He further stated: "If the Navy Minister appears at today's Cabinet Conference I'm going to tell him to complain to SUETSUGU that he's making too many speeches. The national policy deliberation committee does not appear to have prospects for organization for a long time yet. There is no problem for today's Cabinet Conference."

Since these were the Premier's words, I came back.

When I returned Vice-Minister SHIGEMITSU came and talked

of the appointment of TOKUGAWA, Iyemasa as Ambassador

to Turkey. He asked me to arrange to have it approved.

This was a problem concerning KONOYE, so I called

KONOYE on the phone. I also called KIDO. KONOYE said:

"Since I am in Karuizawa it is inconvenient to send a

telegram. Talk to SHIGEMITSU and wire as you see fit.

Please talk to KIDO too."

Therefore I asked Vice-Minister SHIGEMITSU to send a telegram to TOKUGAWA in Prince KONOYE's name. After that the Chief of the Metropolitan Police Board appeared and we talked for the first time in a long while. He. told of the stagnant conditions of the present, and also said that the rightist problem was not very serious.

I asked KIDO to remain and told him of the talk with the Grand Chamberlain -- viz., the suggested admonition of the two Princes by the Emperor. KIDO was of the opinion: "It would tend to create an atmosphere similar to that at the time of the London Conference. The criticism itself, which would be directed against his advisers, would be all right but the creation of such an atmosphere would not be

desirable. Therefore it would be better to wait for a while, wouldn't it?"

On the morning of the 29th I went to the Premier's residence and said: "The newspapers are saying various things concerning your talk of yesterday to the Foreign and Navy Ministers. What does it all mean?"

The Premier replied: "We agreed that it was permissible to reveal at the preliminary meeting the fundamental policies to be proposed at the main conference. We conferred on three fundamental principles. These three — as generally agreed — were first: respect for equality in military preparation; arms reduction for the purpose of reducing offensive power and strengthening defensive power; second: an endeavor to determine a maximum military strength for the countries participating; a long period of time to be alloted for its realization; third: the abrogation of the Washington Treaty; if by any chance Japan's decisions are accepted, it will be preferable to have a common sharing of responsibility instead of Japan alone shouldering the blame; therefore a proposal to issue a joint communique of a brogation.

We attempted to propose these principles. The Navy insisted that if the Treaty were abrogated before December 31st, the abrogation would become effective two years later. However the longer it took, the longer the period of enforcement would be. They mentioned the time for its announcement but in the end they compromised with the Foreign Ministry to leave the matter of timing absolutely in the Foreign Ministry's hands. There are still slight differences between the Navy Minister and the Foreign

Minister. However, it is my opinion that they have, in general, agreed. For instance, the Foreign Minister strongly asserted that in Anglo-Japanese relations it would be unreasonable to have Great Britain possess only the same amount as Japan. Even if ther should be a difference of sixty or seventy thousand tons or of several thousand tons more, it would be very well if there were no protest. He didn't want to irritate Britain but desired to be on friendly terms. The Foreign Minister's proposal was that the term should be for about twelve years. Although there were proposals for a twenty-year term, he thought that too long. The Navy Minister is advocating approximately eight years, but there will probably be a way out. It seems that the Navy Minister warned Admiral SUETSUGU."

I met the Foreign Minister on my way home. He said: "At yesterday's meeting we decided on the policies to be advanced at the preliminary conference. The first problem was that of abrogation. Jopan was abrogating the Washington Treaty because she wanted to go her own way in the future. I brought forth the suggestion to seek a mutual abrogation of the treaty instead of having just one country do it. If the other parties did not agree to this Japan would be forced to do it alone at the end of this year. I spoke to the Navy Minister about fundamental policies. I said: 'We can, in certain situations, depending upon the outlook at the conference, stress the scrapping of capital ships. Let us by all reans stress the scrapping

of aircraft carriers. As for the rest, we will depend upon total tonnage. I favor having the reduction carried out over a certain length of time, ultimately reaching a common point. In Anglo-Japanese relations I would like to handle matters so that there is room for compromises.' I said all these things to the Navy Minister and although he gave no definite reply, I think that he will agree." That was the Foreign Minister's story.

In regard to the Navy -- previously, when I went to the Navy Ministry, Vice-Minister HASEGAWA said:
"The Army is in complete accord with the Navy's present attitude. There are even documents at my place.

When I related this story to the Foreign Minister he said: "As a matter of fact, the Army hasn't agreed completely with the Navy. The Army is saying: 'Of course there are no objections in regard to abrogation by the end of December. However a treaty for reduction of armaments is advantageous to Japan so we want to preserve it. Furthermore, we will not be able to comment on basic specific counter-proposals until we see those of the Navy.' In this way the Army is playing a waiting game with the Navy."

The Foreign Minister also said: "I want this kept top secret. I told the Prime Minister that I could not accept any future responsibilities if I were told to carry out straight-laced diplomacy. In that case the only solution would be to resign. However, if I were allowed a small amount of leeway I would cooperate as much as possible. These were grave times, so in

presence. When I said this the Prime Minister replied:

'Conferences in the Imperial presence are very dangerous.

The Cabinet wants to handle this as its own responsibility.

Don't talk about resigning; how about continuing until

next year's conference?' We parted after this." "If

there is no reference to this from the Prime Minister,

will you keep it to yourself?" said the Foreign

Minister. He continued: "Fundamentally it's this

sort of thing, but specific and detailed instructions

will be quite lengthy. The rough outlines of it are

as I've given them to you."

I knew the reason for the Premier's prompt
disapproval of the Foreign Minister's suggestion for
a conference in the Imperial presence so I told it to
the Foreign Minister in the utmost secrecy. Previously
when I met the Navy Minister he was greatly worried
saying: "The Genro and senior statesmen won't suppress
the Navy's hopes by means of an Imperial Order and
conferences in the Imperial presence, will they?
Actually the Prince is quite concerned about this."
The Navy Minister had said: "I talked to the Premier
on this point and he said: 'I will not do such a
thing. I will act on my own responsibility.'"

The Prime Minister had also said the same thing to me. That was why the Prime Minister had forestalled the Foreign Minister before he could say anything concerning conferences in the Imperial presence. I believe that history is a living thing and that on certain opcasions things will happen by

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CONFIDENTIAL

"Conferences in the Imperial presence are quite risky, so it is better as a rule not to hold them." When the talk of a conference in the Imperial presence was mentioned the other day, it seemed that his feelings were to avoid it if possible since there were no precedents other than that prior to the Russo-Japanese War.

I have met KONOYE frequently during the last few days. The Ambassador to America insistently said:
"I want to speak to KONOYE again." Today I told the Foreign Minister: "Even if you say that KONOYE must not say things carelessly -- there is no need for him to reveal opinions similar to those of the Foreign Office all the time. Of course he must not interfere with the talks between the Government and America. Therefore it may be wise for him to keep in constant touch with the Chief of the Asia Bureau concerning American-Japanese relations." The Minister was in wholehearted agreement and KONOYE had also said:
"That way is better" the other day, so I passed that on to the Foreign Minister.

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Saionji - Harada Memoira

Chapter 147 (5 September 1934)

Puppetry In Manchulauo

Translated by Lieut. Morio Morihara

On the morning of the 31st I went to the Prince's place and after reporting upon developments of the last few days, I returned. On the morning of the 1st I visited the Premier and said: "I'm going to Karuizawa tomorrow for two nights. Are there any problems?"

The Premier replied "There is nothing very important."

I left at noon on the 1st and headed for Karuizawa.

Meeting KONOYE, I talked to him at leisure for two days.

KONOYE was greatly worried, saying: "If only men with

Western ideas, in the eyes of the rightists, are placed
in the Imperial Palace, and if men deemed by observers

to have rightist tendencies are not placed in the Palace
I wonder if the members of one party will not feel greatly injured?" I was not greatly concerned about this,
since it was a reasonable suggestion as contrasted with

KONOYE's former opinions. I talked to him of matters in
the House of Peers, international problems, etc. I hadn't
met him for a long while, so I described events that had
transpired during the interval.

I returned to Tokyo on the morning of the 3rd.

During my absence the Minister of Home Affairs called twice at my home. The Public Safety Bureau Chief, Finance Bureau Chief AOKI of the Finance Ministry, and Colonel SUZUKI of the Army, had also visited me, and they all seemed to be carrying tidings of an important nature, so I immediately called Minister of Home Affairs GOTO on the phone. GOTO said: "I went over because the problem of the Manchukuo Government seems very difficult, and

I wanted to talk with you for a while." I hung up, saying: "I will come over to your place tomorrow morning."

I immediately went to Kuwana and called Third Section Chief YANAI of the East Asia Bureau and Souncillor TANI. I listened to the general details of the problem of the Manchurian Government. Their story was: "The Army has almost completely agreed with the Foreign Ministry. It has signified approval concerning the placing of diplomatic facilities, and a solution will be found if Military Affairs Bureau Chief NAGATA's prestige is maintained. How about a political solution worked out by the higher-ups?"

The gist of the Overseas Affairs Department's proposal was to place all power in its hands. The Foreign Ministry felt that it was permissible to assign responsibility to others in all matters of rights and personal affairs other than the present diplomatic and consular affairs. State affairs of dependent territories were in a state of disorganization because of the barriers erected by the so-called triumvirate of the days before the Incident. It was the Foreign Ministry's proposition to reorganize all along the line.

After inquiring about the general situation, I) visited the Premier about 7:30 the next morning. The Premier said: "That is all very good. However, in the final analysis, I will not follow the Ministry of Overseas Affairs' proposal. I plan to take the Foreign Office's proposal as the basis. I will leave the details to some other day, and try to decide on the general outlines in four or five days."

I said: "I believe that there may be groups that

will use this as a political weapon to overthrow the Cabinet. War Minister HAYASHI and Military Affairs Bureau Chief NAGATA have been unwittingly influenced by those groups, and are saying: 'We will gamble our positions on this issue.' The Cabinet may go on the rocks because of it. At the same time there are fears lest HAYASHI and NAGATA will be cast out from the Army, and the faction of ARAKI and MASAKI grasp the centrolling power. If these things are not thoroughly understood it will be very dangerous." The Premier said: "I will be very careful."

I stopped at the Chief Secretary of the Cabinet's place and said that the Chief Secretary's so-called Foreign Office Monroe Doctrine did not exist for me. I was not standing up for, nor being prejudiced towards the Foreign Office. Looking at it from an impartial standpoint, the Foreign Ministry is not advocating a Monroe Doctrine. It looks as if it is the Foreign Ministry's desire to check the Army's extremist actions, and to go along harmoniously with it to a certain degree, making sure that there are no errors. How about you, as the Chief Secretary of the Cabinet, personally gathering the administrative authorities? Actually the lower brackets of the Army and the Foreign Ministry are in complete agreement. However the Army Affairs Bureau Chief's proposal recognizes a dual personality; an Ambassador who will be under the direct control of the Premier. It plans to break away from the Foreign Ministry and from the control of the Foreign Minister. In essence, it plans to build a system of government similar to a Government-General or

a Residency-General. It is struggling with the problem of how to disguise (Manchukuo) so as to give it the appearance of an independent nation.

The people in the lower ranks are greatly opposed to the proposal. However, the Ambassador is advocating it and the Premier is stoutly proposing it and every one seems to be in a quadary. I thought that the Chief Secretary needed to know the details so I said to him:

"It would be well if you called YANAI of the Foreign Ministry, who is negotiating with the Army, to find out the situation."

The Chief Secretary said: "Yes, by all means; I shall ask YANAI about the details." We parted after that.

I went then to Minister of Home Affairs GOTO's residence and obtained various opinions of his concerning the problem of the Manchukuo system, and I also told him what I knew.

The Legislation Bureau Chief, in order to hear various opinions concerning problems of legislative systems, planned to gather the Army, Overseas Affairs, and Foreign Ministry bureau chiefs in one room in the name of the Chief Secretary, but the various ministries opposed this because the purpose was not clear. In the end no one appeared. The day was changed and it was decided to hear the opinions of the various ministries individually.

It was the Chief Secretary's idea to have the Legislative Bureau Chief gather opinions from every one. If
the problem became an issue in the House of Peers or
the House of Representatives, he could site the meeting
as the proof of his accomplishment; thus this wasn't

primarily a meeting to compile the opinions of the three ministries. Therefore, it seemed, the War and Foreign Ministries conferred with each other and concluded: "It will settle nothing; it will only become newspaper material and fill not be of any use." So they declined the Chief Secretary's invitation.

I related this story to Ministration Kome Affairs
GOTO, and explained fully that it was a mistake from
the very first to respect the proposals of the Ministry of Foreign Affairs. I said to the Minister of
Home Affairs: "The reason the Prime Minister took over
the Ministry of Foreign Affair's job, and transferred
TSUBOKAMI from the Foreign Ministry to the Overseas
Affairs Ministry, was that he wanted the War and Foreign Ministries to cooperate as much as possible
without interference from the Ministry of Overseas
Affairs. If the opinions of the Overseas Affairs
Ministry are respected now, matters will become quite
contradictory. You should find out the situation from
various quarters." We parted after this.

I then went to the Foreign Ministry and talked of various things. In the afternoon I sent off KONOYE's eldest son, who was going back to America. After coming back I met the Chief Secretary again and suggested that he meet YANAI. After supper, when KIDO, TANI and I were talking, YANAI returned, after explaining the whole situation to the Chief Secretary. YANAI said:

"The Chief Secretary said he understood everything very clearly, and was very appreciative."

I called the Chief Secretary on the phone to hear his own opinion. He, as YANAI had already said, under-

stood everything and said: "I was going to ask the Army, but things are very clear now." He went on: "I feel as though there may be a solution, so do not worry too much."

I returned to my home about 12:00 o'clock. The next day, on the morning of the 5th, I met the Premier and came back after discussing matters subsequent to our last meeting. Finance Bureau Chief AOKI came then. AOKI's tale was: "It seems as if the MITSUCHI case, in other words the Bank of Formosa case, has been totally upset. That is, it has become very evident that the Public Procurator's present case is a pack of lies. During the time when the Public Procurator said that the stocks had been transferred as bribes they remained deposited in the vaults of a certain large insurance · company. They were entered in documentary volumes which proved this. Various other evidence has appeared and it all disproves the conventions of Public Procurator. HARA, Kado told me that the Minister of Justice seems to have changed his attitude in the last two or three days and is in a fix." This was the Finance Bureau Chief's story.

When I met the Premier on the 1st, he said: "The MITSUCHI issue has become quite a problem. However, since it is necessary to handle it with the utmost circumspection, I have called the Minister of Justice."

Since that night the lawyers have been actively investigating the Public Procu ator's problem. Two or three' days ago documentary evidence was produced, and they seem to be in an uproar. I thought that there was a need for the Premier to know about this, so I immediately

went to the official residence of the Premier and transmitted AOKI's story. I said to him: "How about talking
to the Minister of Justice; after first meeting the
Finance Minister and looking into the situation fully?"
The Premier replied: "Let us do this with the utmost
caution." We parted after that.

Saionji - Harada Memoirs

Chapter 148 (13 September 1934)

irmy v. Foreign Office

Translated by Lieut, Morio Morihara

On the morning of the 5th, the Public Safety Bureau Chief came and said: "Actually, I came to make a small request of you. I have gained the confidence of Finister of Home Affairs GOTO and have soiled the important post of Public Safety Bureau Chief. I would like, somehow, to aid the Minister of Home Affairs, and produce results. However Minister of Home Affairs GOTO is very cautions and and has not yet touched on the personnel problem. As a result the Prefectural Governors! Conference and other - business matters are being delayed. If one is too cautious, opportunities will be lost and everyone will laugh at us, saying: 'This man GOTO has ideas but no capacity in administration. In short, he is afraid to cross bridges as he comes to them.' If this continues, orders from the center will not be respected. Therefore it is necessary, at this time, to carry out a reshuffling of personnel at the earliest possible moment, calling a refectural Governors' Conference as soon as possible, changing it to a body that will facilitate the thorough execution of central orders. Of course it is our plan to suggest this directly to the Minister of Home Affairs, and actually, we have already spoken to the fremier many times concerning it. But there is still no sign of action. Please advise him to be more bold in his actions."

I had formerly heard such facts from Governor SHIRINE and also Governor TANAKA. I said: "I shall

advise the Minister at an opportune moment," and we parted.

I then went to the Foreign Ministry and discussed problems of the Manchukuc acministration. I found that the War and Foreign Ministraes were gradually becoming more intimate, and that although they were in complete accord as far as administration went, the Chief of the Army Affairs Bureau was adhering to his roposal of a special ambassador plenipotentiary under the direct control of the Irenier. The General Staff Headquarters and members of the Kwantung Army all seem to favor the proposal of the Foreign Ministry but the War Ministry has a queer air. The new papers are incessantly stating that the various Ministries, with their various proposals; the War Ministry's proposal, the Foreign Office's proposal, the Cverseas Affairs' proposal, were at olds with each other, and that the atmosphere was tense. Actually, the case differs from what the papers say; they are in general, getting closer to one another.

I also met the Foreign Min. ster, and after chatting with the Chief Secretary of the Cabinet, I had lunch with TANI and KURIYAMA. We talked of the same problem. Then, in the afternoon, I called on Minister of Home Affairs GOTO and explained the particulars of the Public Safety Bureau Chief's story concerning the personnel affairs of the Trefectural Governors connected with the Home Ministry. The Minister of Mone Affairs said: "It is very difficult and I am taking a cautious stand. Please understand my troubles." I said: "Naturally, I understand your troubles. However things must be executed boldly

when the time comes." The Minister of Home Affairs said:
"Will you tell the Premier and the Chief Secretary of the
Cabinet that there are demands from other sources concerning this issue. The opinions are that it is better to
carry out the transfer of refectural Governors as soon
as possible." This was the Minister of Home Affairs'
request. I agreed and returned.

On the morning of the 6th, I went to Gotemba and reported all the details since or last meeting. I spoke to the Prince of the suggestion for a Conference in the Imperial presence in order to determine state policies, since it was a critical moment for the various ministries. I also told him that there was persistent mention of a Conference in the Imperial presence.

The Prince replied: "The conferences in the Imperial presence during the Meiji era had a slightly different meaning from those of today. As I remember it, conferences in the Imperial presence were held in defensive situations. For instance, before the Sino-Japanese War and to the Russo-Japanese War, when Japan was under outside pressure, the conferences in the Imperial presence were held. I remember only three or four of them. During the time of the ITO Cabinet, when Russia's Coronation was held, Field Marshal YAMAGATA was chosen to appear as the Emperor's representative. I attended the Conference in the Imperial presence. At that time, there were no diplomatic overtures made to Russia because of the injury of the Crown Prince at Otsu. I thought that it was necessary to send to the Coronation ceremony a true representative of the country, who had morit and popularity both

in name and in reality. I pointed to Field-Marshal Y.N.C.ATA, who was present at the Conference, and said to Emperor NEIJI: "I believe that Field-Marshal Y.N.A.C.ATA, who is here, is the most appropriate person to send to the coming Russian Coronation.

"Emperor LEIJI asked: 'Why?' I replied: 'Instead of sending a man of prominent position, or a thorough knowledge of conditions, or of great ability, it would be better to send a person whose words are trusted by foreign countries, and who commands the implicit faith of the country as a true representative whose words cannot be doubted. In other words — to dispatch a person possessing trust and confidence both at home and abroad, the foremost personality in Japan would be most appropriate. And it is my opinion that Field-Marshal YANIGATA is that person.' Then I said this every one was in general agreement and Field-Marshal YANIGATA was chosen to be sent.

"At that time Prince YMMGAM did not have a very pleasant look, but when I gave my reasons to Emperor MEIJI he faced my way and looked rather pleased. However, upon reconsideration, I wasn't sure of this. At that Conference, Prince KATSURA, on pretext of other business, finally did not appear."

The Prince told me that sort of story. I then reported on the problem of the Manchurian administration, the details of the Public Procurator's investigation of former Minister of Railways MITSUCHI, and the general situation.

Then I returned and immediately stopped by at the Foreign Ministry. Just at that time the Emperor returned

pay him a visit about 5:00 c'clock. I thought that he might report on the Manchurian administration. It would be serious if by any chance the aforementioned special ambassador plenipotentiary of the Army — in other words a sort of governor-general or resident-general in actuality, an ambassador plenipotentiary in name only — were to be approved by the remier and privately nominated to the Emperor. I planned to talk immediately to KIDO on details up to the present time, and to re west the Lord Keeper to be cautious, but KIDO had caught a cold and could not go outdoors.

I went to the Premier's official residence to see him before he visited the palace. The Premier stated:
"In today's report, instructions on disarmament have been completed, and I plan to submit it to tomorrow's Cabinet Conference. I am going to report privately on that. I will not touch on Manchukuo matters."

Since that was the Tremier's statement, I cancelled my intended visit to the Grand Chamberlain. In the evening I met TANI and members of the Foreign Ministry.

Upon inquiring of their relations with the Army, I found that the Army was holding out to the very end. Furthermore, NISHIO, Chief of Staff of the Kwantung Army had come to Tokyo, and seemed to hold opinions similar to those of the General Staff Headquarters and Foreign Ministry, in contrast to the Army's proposal, supported by the Chief of the Military Affairs Dursau. However, these were private opinions in the Army's proposal. Newever, these were openly opposed the Army's proposal. Ninister of Home

in various Manchukuo matters. Not only that, he seemed to have doubts on legal aspects, especially those involving international law.

Therefore I met YANAI and said to him: "Please meet

Home Affairs Minister GOTO and explain this to him fully."

At the same time I inquired of Home Affairs Minister

GOTO: "How about calling YANAI and questioning him thoroughly?" Home Minister GOTO, and YANAI, were to meet early on the morning of the 7th.

Thile I was meeting the Chief Secretary and KIDO on the 7th the instructions on disarrament were finally decided in the Cabinet Conference that merning. When I went to the Chief Secretary's office about noon, he said:

"Actually, I have to make some explanation of the disarrament instructions at the Trivy Council meeting on the 12th. The Foreign Minister wants to go to the Prince's residence in order to explain this problem. However, there is no time, and he was looking for you so that you could take it to the Prince's residence and explain it in place of the Foreign Minister. Please stop at the Foreign Office."

residence, whereupon the Foreign Minister's residence, whereupon the Foreign Minister called the Asia Bureau Chief and told him to give me the proposed instructions. Handing me the proposed instructions, the Asia Bureau Chief said: "I meant to ask you. Thy is it that the Lord Chamberlain is opposing a conference in the Imperial Presence?" I said: "Conferences in the Imperial presence up to now have, as a rule, been proposed by men who have senething to gain by them. I think that it is fundamental that conferences in the Imperial presence

should not be held indiscriminately. As for my reasons -it is not well to transfer responsibility to the Emperor,
and the general opinion is that we must avoid this as much
as possible."

I met the Premier and said: "I am ing to Gotemba, shortly." The Premier said: "I have achieved a rough solution to the perennial Manchukuo problem. I plan to call in the Foreign Minister and the War Minister on the 10th and to obtain an agreement on my proposal. Then I shall submit it at the Cabinet Conference on the 11th and have it decided upon." The Premier asked me to extend his regards to the rince. Concerning the disarmament instructions, he said: "Let me see them."

I took leave of him and took the 4:00 o'clock train to Gotomba. After supper, I mot the Irinco and gave him the draft. I said: "I stopped by at the Foreign Ministry today on my way over, and the Asia Bureau Chief asked me why conferences in the Imperial presence were undesirable."

The Prince replied: "Fundamentally they violate the spirit of the Constitution. If there are occasions when the Emperor can not settle issues raised in such conferences, he will be creatly inconvenienced. Not only that, but, as I have stated before, conferences in the Imperial Presence must not be held indiscriminately. The conferences of today and those of the Meiji period are completely different in meaning. During the days of Emperor MEIJI, the Emperor attended conferences of the Capinet. There may have been a need for the Emperor to familiarize himself with politics, and the Constitution was not completely

utilized as it is now. His attendance at Cabinet conferences ces were entirely different in meaning from conferences in the Imperial presence. It is best to avoid the latter as much as possible." This was the gist of his talk and I was able to grasp the situation more clearly.

I came back to Tokyo immediately that night. I not the Foreign Minister and the Premier on the following morning and reported that I had transmitted the disarmament draft to the Prince. I said: "The Prince was inquiring whether the Mashington Treaty was going to be abrogatedeven if the others agreed to Japan's proposals." The Foreign Minister and the Premier both said: "In the draft, we have utterly opposed a ratio. Therefore we must abroate it no matter how fully the other powers agree to our proposal. We have taken an unchangeable stand."

Imperial Presence that the Foreign Minister had proposed.

The Foreign Minister said: "Your objection arises only because it is called a conference in the Imperial presence. Actually, it is just a case of the Navy Minister and myself reporting to the appearor, and not a conference where a whole procession of people gather to air their views. For instance, I feel that the import of the Navy Minister's talks would differ when he would talk to us and when he would report to the Emperor. That is why we would like to confer in the Emperor's presence."

He mentioned that the problem of the Manchukuo administration was gradually settled. The Foreign Minister also said: "The Russian Ambassador appeared, saying that Manchukuo would pay 130,000,000 yen for the North Manchurian Railway; 10,000,000 of the total would be paid in materials.

One third of the remaining 120,000,000 yen would be paid when the agreement was concluded. Therefore I called the Russian ambassador and mentioned this to him. The Russian Ambassador said that he would consider it further and returned. I believe that this problem will be settled if it is not rushed."

Upon further examination of the Manchukuo administration it seemed that one faction was suspiciously striving for an excuse to overthrow the Cabinet, and was antagonizing NAGATA and the Minister (of War). According to reports of the Navy and of sections of the Army, it seemed as if General MASAKI were incessently critizing the War Minister. If things turned out badly two birds would be killed with one stone. The War Minister would have to resign and that would necesitate the downfall of the Cabinet. It is evident that AMAKI and MASAKI want to bring about their era by absorbing the central power of the Army.

on Sunday (9th Sept.) I went golfing, Late that night, since I had made an agreement to hear the results of Chief of Staff NISHIO's and Councillor TANI's meeting, I had supper with the Vice-Minister of Commerce and Industry at the Fusatanaka. I waited there for TANI's arrival. TANI came about 9:00 o'clock, and the two of us retired to a separate room to discuss his talk with Chief of Staff NISHIO.

This said: "Our talk on the Manchulom administration was exactly the same as the one which we formerly had at Heinking. Chief of Staff NISHIO was highly appre ensive of the ar Ministra's proposal, and the situation we talked of at Heinking hasn't changed at all. He does not subscribe to the runers that: 'This backed out,' or:

'TANI betrayed his talks with the Army -- in other words the Chief of Staff of the Kwantung Army.' In Chief of Staff NISHIO's talk, after he came back from Manchukuo tonight, there were no changes in opinions. Chief of Staff NISHIO said that he would return immediately to Hsinking."

I went to send off the Trince who was returning to Ckitsu by train at 6:00 o'clock the next norming. I talked to him on the train, and told him of the Foreign Minister's opinion concerning a conference is the Imperial presence. The Prince said: "If that is the case, it amounts to nothing. It is not good for three or four Cabinet members to attend and to have the Emperor settle their arguments. However, it is perfectly all right for two persons to report on certain things." I said: "I'm quite sure that it isn't the same thing as the await Imperial decisions." The Trince seemed a little worried about conferences in the Imperial presence, etc., so I meant to clarify that point. Ifter sending him off, I returned.

That night I inquired of the situation by calling
the Chief Secretary on the phone. On the night of the
10th the Premier assembled the Trivy Councillors.

Ifter the Premier called in the War and Foreign Ministers
and showed the Cabinet's proposal — that is, his proposal —
to the two Ministers. The War Minister said: "I do not
have any definite objections. However I will give you
my answer by 8:45 tonorrow morning after conferring on
the proposal." He went home after that.

The reason this problem was not presented at the Cabinet Conference on the 11th was this: on the morning

of the 11th, I went to the Premier's residence about 7:30 to inquire about the situation. The Premier said that the War Minister would bring his reply later. Concerning the diplomatic system, I learned later that the Army favored an ambassador plenipotentiary under the direct control of the Premier. In other words Manchukuo was a special situation, and it was permissible to have a special ambassador plenipotentiary: The irmy said that it did not desire an ambassador plenipotentiary under orders and instructions from the Foreign Minister. The reason for this was that it would not know what sort of person would become the ambassador plenipotentiary when a party Cabinet was formed. Therefore it wanted one under the direct control of the Fremier. The reasons were entirely lacking in logic. In the end, the Premier could not present it at that day's Cabinet meeting. He told the War Minister to explain its contents again and parted with him. Nothing was finally accomplished at the Cabinet Conforence. The War Minister said: "I will make some sort of reply tomorrow," and went back. The various aspects of the situation gave it a queer aspect, and under-currents finally revealed themselves.

I called Trince KNN-IN's intendant, INAC.KI, at night and told him of the whole situation. I requested him to relate these facts to the Prince. Intendant INAC.KI understood the various factors very well. He bemoaned the situation and said: "MAS.KI is to blame.

The War Minister is very weak."

Early on the morning of the 12th I went to the Grand Chamberlain's place and informed him of all recent details. I said: "The headstrong attitude of the Army

the Kwantung Army, and the Foreign Ministry have all agreed. It is odd that Chief of the Military Affairs Bureau MAGATA should hold out by himself in the War Ministry. I hear that Minister MAYASHI is greatly troubled. He came to the aremier's place and said: 'N GATA will not listen. Since his reasons are illogical, I'm not able to tell you anything. I'm in a terrible fix.' Judging by this talk with the Tremier, it is evident that a certain faction is scheming to oust Minister MAYASHI over this issue." I told him these things and came back.

I also talked to the remier, and he said: "I didn't think it was so serious until now, but it is quite suspicious. Yesterday, after the War Minister returned from my place, 1st Division Commander Lt. General MANIGAMA stayed constantly in the War Min ster's room. The faction of ARAMI, MUSAMI, and MANIGAMA were always in favor of Manchurian annexation and they had intentions of executing their plans by any means. They also saw appropriate excuses for everthrowing the Cabinet. They have manipulated NAGATA to this degree by their schemes. Chief of Military Affairs Bureau NAGATA is in a dilemma and doesn't know what to do. The War Minister came to my residence and said: 'Chief of Military Affairs Bureau NAGATA doesn't seem to know what to do. His position is very difficult and I feel sorry for him.'"

The Army seemed to show signs of yielding about the 12th and 13th. I talked with General ABL over the telephone concerning this problem. General ABL felt odd and said: "I generally agree with the Foreign Ministry's proposal concerning the Mar Councillors. That's very strange."

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Chapter 149 (19 September 1934)

Reorganization In Manchukuo

Translated by Lieut. Morio l'orihara

On the 13th, the War and Foreign Ministers were called in by the Premier. They talked of various problems of the Manchukuo administration, and as a result the Army broke down and agreed to a regular ambassador plenipotentiary. However, it hoped for "an Imperial order determining that an army commander and an ambassador plenipotentiary could be one and the same person." Its object was to make this position a permanent one, but these matters were concerned with direct supreme orders and could not be handled merely by an indirect Imperial command. Not only that, it was not possible to act on the matter by itself. The Premier assented to these general principles and decided to have the ambassador plenipotentiary, under orders from the Foreign Minister, administer diplomatic and consular affairs. All other matters would be handled temporarily by the Director of the General Affairs Bureau, under the supervision of the Promier.

The Army also seemed to have secret intentions of installing a system whereby military men — Chiefs of Staff — could simultaneously hold a post as War Councillor, thus substantially controlling diplomatic channels. This was discovered when a certain field officer of the War Ministry came to explain their proposal to Chief Secretary YOKOMIZO, at the Cabinet. The Foreign Ministry learned of this, and at the Cabinet Conference of the 14th it requested an amandment to the generally settled proposal. The leaders of the War

Ministry, who heard of the Foreign Ministry's intention to propose an americant at the Cabanet Conference, continually negotiated with the Foreign Manistry, saying:

"Before you propose these charges at the Cabinet Conference, we would like you to deale on them with the War Minister, because in the end we will listen to the

Foreign Ministry's proposel. Please refrain from introducing it at the Cabinet Conference." However the Foreign Minister presented his opinions on amendment at the Cabinet Conference.

At the conference of the 14th, MATSUDA, present minister of Education and former Minister of Overseas Affairs, said: "If, in substance, the Army is going to handle such matters, the War Minister might as well handle everything. Let him assume the responsibilities fairly and squarely." Prime Minister OKADA also stressed respect for Manchukuo independence, etc. In the end it was decided to place a full-time councillor directly under the ambassador plenipotentiary to do all the work. A general office, such as a general affairs bureau, would be placed under him, in which a military officer of a diplomat could assume the responsibility according to the situation. Actually the Army seemed to gain influence, but, both in rank and at public ceremonies, the full-time councillor would occupy the highest position in that office on all occasions. The general outlines were all settled and the following system was established:

MATTERS PERTAINING TO THE ORGANIZATION OF MANCHUKUO ORGANS

Summary

- 1. The establishement of a specially organized Manchukuo Affairs Bureau in the Cabinet. The bulk of Manchukuo
 matters now handled by the Ministry of Overseas Affairs
 to be transferred to this Bureau. A chief to be appointed to the Manchukuo Affairs Bureau.
- 2. The revision of the present tripartite system to a concurrent system, composed of the Kwantung Army Commander and the Special Ambassador Plenipotentiary to Manchukuo.
- 3. The placing of a governor in Kwantung Province.
- 4. The Special Ambassador Plenipotentiary to Manchukuo to be charged with: the supervision of the work of the Manchurian Railway and Electric Companies; supervision of the Kwantung Province governor and other officials; and the administration of areas attached to the railways. An office to be created in the embassy for this purpose, its functions to be carried on under the supervision of the Prime Minister.
- 5. (Unpublished) The Japan-Manchukuo Economic Conference to be permanently established in Hsinking.

MATTERS CONCERNING THE ORGANIZATION OF MANCHUKUO ORGANS

Main Outlines

- 1. The coordination of Manchukuo policies, and the closer cooperation of central and district organs to be obtained by the creation of a Manchukuo Affairs Bureau (temporary title), to handle the bulk of Manchukuo matters formerly entrusted to the Minister of Overseas Affairs.
- 2. appointment of a vice-chief (temporary title,

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chokunin rank), and subordinate officials in addition to the Chief of the Manchukuo Affairs Pureau. Special consideration to be given to the organization of the chief's office, to contribute to his authority and to the importance of his position. Necessary administrative measures to be taken to supplement full-time civil officials of the Manchukuo Affairs Bureau with higher officials of related offices.

(Unpublished) As to the chief and vice-chief, one shall be a military official in active service.

- 3. The ambassador plenipotentiary to Manchuluo, and subordinate diplomats, will be retained under the present system.
- 4. The ambassador to Manchukuo will be charged with the supervision of the Manchurian Railway and Electric Companies, the supervision of the Ewantung Province governor and other officials, and the administration of areas attached to the Manchurian Railway. (This to be done by individual Immerial ordinances)
- 5. In the exercise of his rights contained in Paragraph 4, the ambassador plenipotentiary to Manchuluo will be responsible to the Prine Minister.
- 6. The Kwantung army Commander will be able to hold the post of ambassador plenipotentiary to Menchukuo.
- 7. An administrative office (temporary title) will be established in the office of the ambarsador plenipotentiary to Manchukuo, in order to administer the matters contained in Paragraph 4, and an affairs bureau chief (temporary title; chckunin rank) and subordinate officials will be appointed. The aforementioned bureau chief and subordinates will be under the

control of the Prime Minister of the Cabinet. In its work, aside from matters toyond its jurisdiction, it will receive instructions and supervision from the ambassador, who will be supervised by the Frime Minister.

In order to execute lieison effeirs smoothly between the administrative office and diplomats, the affairs bureau chief will be allowed to hold the post of embassy councillor besides that of full-time embassy councillor, by Imperial order. If necessary, the Army Chief of Staff will be allowed to hold concurrently the post of affairs bureau chief by Imperial order.

8. Necessary sections (secretariat, general affairs, police affairs, administrative section), will be established. The administrative affairs bureau will be

9. A Kwantung Province governor (temporary title)
will be placed in Kwantung province and will be responsible to the ambassador to Manchuluo.

organized as simply as possible.

The courts of justice, Department of Communications, and the Port Arthur Engineering College, will also be under the jurisdiction of the embassedor.

10. The Ewentung Army Military Police Commander will be appointed to the police affairs section of the administrative affairs bureau, and the administrative section chief will be the traffic control section chief of the Ewantung army. Officials from the Army and from the consular and diplomatic staffs will be appointed to the administrative affairs tureau.

11. Methods will be provided for the coordination and supervision of Japanese police organs in Manchuria by

Reorganization In Manchuria

the Commander of the Kwantung Army Military Police.

12. (Unpublished) A Manchukuo-Japanese Ecoromic Conference will be established in Heinking to deliberate on important matters concerned with cooperation in Manchurian-Japanese economic relations, and in the work of the Special Join, Manchurian-Capanese Company.

The aforementioned Conference will be established according to the Treaty and will undergo supervision by the two governments.

('Organisation thant' attached to ond of chapter)

MATTERS AGREED UPON BY THE FREMIER, FOREIGN MINISTER AND

WAR MUNISTER

September 1934

- 1. In cases where the administrative affairs bureau chief will also be the embassy councillor, the full-time embassy councillor will handle matters outside the bureau's jurisdiction and those persaining to the supervision of consular duties. The full-time embassy councillor will handle most diplometic functions.
- 2. The Frime Minister will confer with the Foreign Minister prior to the appointment of the administrative affairs bureau chief.

I left on the night of the 14th and stopped at Shizuura. The next morning I took the approved proposal requested by the Frenier and went to the Prince's residence to explain it. The Prince was glid that at least in form it observed the independence of anchukus and that the problem had been settled. Although he seemed very dissatisfied at the Army's high handed methods he refrained from saying enything at that time. I returned to Tokyo on the night of the 16th.

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When this proposal was finally published in the newspapers voices of criticism of the Army highhandedness were heard from all directions. People who knew were apprehensive of the future. Who was going to succeed General HISHIKARI, present Ambassador Ponipotentiary to Manchukuo? It would be either General ARAKI, General MASAKI, or General MINAMI. General ARAKI himself seemed to want to go to Manchukuo as the ambassador plenipotentiary, but there was a fear that he would further aggravate Russo-Japanese relations. There was the same fear regarding General MASAKI. General MINAMI would probably go, but the selection of men was a very difficult problem. ARAKI and MASAKI would probably want to send MINAMI to Manchukuo as soon as possible in order to have him resign speedily. Things seemed quite complicated.

On the 18th, I visited the Premier. I also met the Foreign Minister and Vice-Minister SHIGEMITSU. I had heard about a week ago of the plan to send the previously-mentioned Ambassador YOSHIDA on a visit to various countries. He was to visit the foreign diplomatic establishments and to relay the ideas of the Government. At the same time he could observe conditions abroad. This was finally decided upon, and in the evening edition of the 18th the Foreign Office published it.

Foreign Minister HIROTA said: "Concerning the Russo-Japanese problem they seem to be gradually yielding. The original 160,000,000.00 yen was charged to 145.000,000.00 yer so I said: Make it 140,000,000.00 yen." They have wired back for instructions and are

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now awaiting an answer. I said: 'We offered 120,000,000.00 yen at first, so let's compromise and make it 140,000,000.00 yen.' I think that this issue will gradually be settled and that any agreement will finally materialize. If this happens I believe that the tension in Pusco-Japanese relations will be greatly alleviated."

I forgot to mention this before, but I met the

Justice Minister on the 15th and heard details of the

former Finance Minister's prosecution and commitment.

Minister of Justice OHARA very gravely stated: "This time
there was a caution from the Premier too, so I investigated very carefully. There was no material evidence but
the testimony of all witnesses was the same. I have
heard the driver's story, Mr. NAKAJINA, and that of the
people of the Bank of Formosa and of various other individuals. They have all agr of as to the accused and we
have gained a certain amount of assurance. We have not
hendled this matter lightly."

The public was saying: "This case is very doubtful."

They were worried but Minister OHARA partened him with

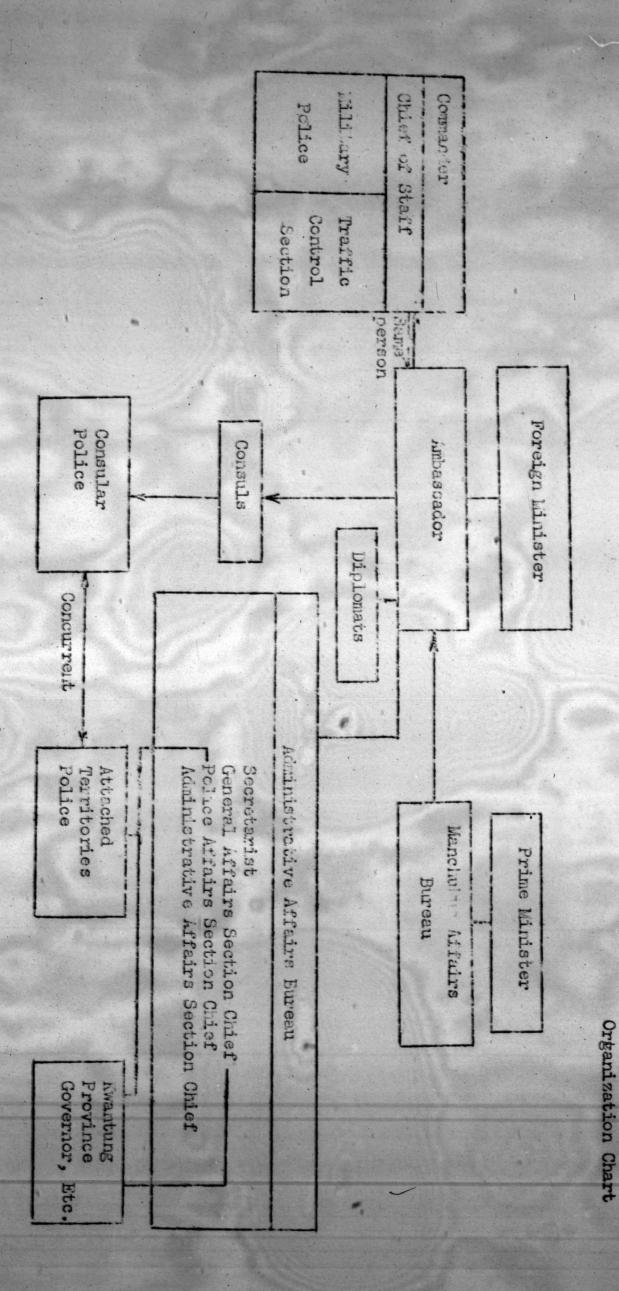
full confidence. On the afterneon of the loth I met the

Minister of Home Affairs and inquired about his decisions

since our last meeting. The Minister said: "I am work
ing on it gradually and I have fully made up my mind, so

you can rest assured."

I am expecting a transfer of prefectural officials in the near future, and I believe that a reshuffling of personnel will take place.



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